



HILARY S. FRANZ COMMISSIONER OF PUBLIC LANDS

LAND USE LICENSE ("License")

License No 60-NW1710

Issuance. State, for and in consideration of five hundred and 00/100 Dollars (\$500.00), plus two hundred fifty six and 00/100 Dollars (\$256.00) for timber, totaling seven hundred fifty six and 00/100 Dollars (\$756.00) hereby issues to Licensee a non-exclusive, revocable license (hereafter "License") over a parcel of land Snohomish County legally described as set forth in Exhibit A, (collectively referred to as "Premises") subject to the applicable terms and conditions herein.

Permitted Uses and Activities. Replace failing Woods Lake Creek culvert under City of Everett, Lake Chaplain Roadway. Activities may include:

- a. One (1) MBF of timber to be cut off of State land;
- b. Approximately 25 feet of the eastern, downstream end of the culvert replacement is on State land, which will require removing the existing roadway embankment;
- c. Construction of the new culvert footing;
- d. Placing channel material;
- e. Reconstruction of the embankment slope above the culvert;
- f. Channel restoration downstream of the outlet will also be completed for a distance of approximately 35 feet;
- g. A temporary bypass will also be located on State land, upstream and downstream, with a sand bag dam, sump and bypass pipe and straw bale discharge structure;
- h. A Frontier temporary telecommunication line (city owned) will be placed above the ground surface just outside disturbed project boundaries, upstream during construction;
- i. Surveying;
- i. Monitoring;

- k. Taking samples;
- 1. Operating light vehicles on rights of way identified herein; and
- m. Traversing the Premises on foot to (conduct activities).

The permitted uses and activities of this License shall not interfere with State land management activities, nor be changed or modified without the prior written consent of State, which shall be at its sole discretion. Any unauthorized use of the License may result in immediate suspension of the License followed by termination if the unauthorized use is not resolved to the satisfaction of State.

Prohibited Uses and Activities.

Licensee will not engage in the following activities on State lands while performing work under this License:

- a. Construction of new roads;
- b. Camping;
- c. Lighting any type of campfire, cookfire, or any other fire; and,
- d. Recreational activities.

The preceding list of prohibited activities is not intended to be exhaustive, but is provided to illustrate the types of activities not permitted by this License.

Access. Provisions for the use of rights of way across State land, including the Premises and adjacent land are as follows:

- a. A nonexclusive right to use (an) existing road(s) over and across the location shown on the map(s) attached as Exhibit B ("Access").
- b. Licensee may use the existing access roads on the Premises shown on the Plan of Operations and authorized by the Region Representative.

Condition of Premises. Licensee accepts the Premises in its present condition. The State has no obligation to make any repairs, additions, or improvements thereto and expressly disclaims any warranty that the Premises are suitable for the intended use.

Term. This License is valid from July 1, 2017 through October 31, 2017. No work is permitted after October 31, 2017.

Revocation. This License may be revoked by State at will or upon material breach of any of the conditions herein. State may suspend but shall not revoke this License without providing Licensee prior notice and a reasonable opportunity to satisfy State's concern(s); provided however, State shall retain sole discretion over the decision to revoke this License.

Permittees. Licensee may permit its respective employees, agents, contractors, sub-contractors, licensees, and their agents, herein individually referred to as "Permittee" and collectively referred to as "Permittees", to exercise the rights granted herein.

Acts or omissions of the Permittees operating under this License shall be deemed an act of the Licensee. Restrictions or requirements placed on the Licensee herein shall apply equally to the Permittees.

State Representative. State shall designate a representative from each applicable DNR Region who will authorize plans of operation, provide Licensee with the records or information referenced in this License, and resolve issues arising from this License (hereafter "Region Representative"). State may change the Region Representative by providing written notice to the Licensee.

Licensee Representative. Licensee shall designate a representative who will have the authority to take any actions necessary to administer this License, to include executing a plan of operations and resolving issues arising from this License (hereafter "Project Representative"). The Licensee may change its Project Representative by providing written notice to State.

Advertising. Licensee shall ensure any advertising related to the use of this License does not imply the endorsement by or affiliation with the Washington State Department of Natural Resources, the state or any other state entity. Licensee shall submit copies of all such advertising to the State's designated representative, prior to the publication of the advertising, to review for compliance with this requirement.

Timber and Reproduction. "Timber" is defined as merchantable trees at least 6 inches in diameter (measured at 4.5 feet from ground level). "Reproduction" is defined as a tree less than 6 inches in diameter that may be planted or naturally grown. Licensee shall not remove or damage timber or reproduction within or outside of the Premises without written prior approval from State. Licensee shall pay State the appraised value of Timber damaged or cut, and Five and No/100 Dollars (\$5.00) for reproduction damaged or cut.

Restoration of Premises. Licensee assumes responsibility for restoration of Premises to a condition equal to or better than its condition immediately prior to Licensee's use. Such restoration shall be completed prior to expiration of this License. Boring holes and test pit excavations will be refilled promptly after examination. Restoration includes repairing ground disturbance, re-seeding and revegetating, repairing facilities or improvements, cleaning up litter, filling test pits, and removing debris. All restoration is subject to the approval of the Region Representative, which will not be unreasonably withheld.

License Inspection. A copy of this License must be available on the Premises at all times for inspection by the State or an authorized law enforcement agency during licensed activity.

Prior Rights. This License is subject to any rights and valid claims previously granted or conveyed by State, and to any rights and valid claims pending on or encumbering the Premises.

Licensee's rights herein are subject to all matters of public record, and to all prior unrecorded easements, permits, leases and agreements affecting the Premises that are filed with the Department of Natural Resources in Olympia, Washington and with its Region offices (copies of which will be provided upon request).

Compliance with Laws. Licensee shall comply with all applicable laws, including but not limited to all State (Department of Natural Resources) regulations, county and municipal laws, ordinances, or regulations.

Required Permits and Licenses. Licensee shall obtain and be in possession of all permits and licenses required for the permitted use, and shall provide proof of such permits and licenses upon request by State.

Plan of Operations. For each applicable DNR Region, Licensee shall meet with the Region Representative and agree in writing to a plan of operations ("Plan of Operations") at least thirty (30) days prior to commencement of the activity on the Premises, including use of roads. State, at its sole discretion, may place restrictions on Licensee's use of the Premises that ensures protection of the Premises and other uses. Any material breach of the Plan of Operations will be considered a material breach of this License.

The Plan of Operations shall include, but not be limited to the following requirements as determined by State:

- a. access plan;
- b. color and type of any markers;
- c. noxious weed prevention and control;
- d. erosion control;
- e. confirming a road may be used by Licensee;
- f. work that must be performed on the Premises or roads prior to, during or upon completion of use under this License;
- g. need for keys and a process for obtaining and returning keys;
- h. location and rules of use for gates;
- i. fire prevention closures and restrictions;
- j. seasonal or weather restrictions on road use; and,
- k. vehicle type restrictions on road use.

Fire Prevention. Licensee shall take all reasonable measures to prevent and minimize the start and spread of fire on or adjacent to Premises. Measures shall include ensuring all vehicles carry a fire extinguisher of at least a 5 B/C rating and a serviceable shovel, following State safety operating procedures which include compliance with Washington Administrative Code (WAC) 332-24-301 (Industrial restrictions) and WAC 332-24-405 (Spark emitting requirements) as now written or later amended.

State shall have the right, but not the duty, to notify Licensee of fire hazards created by Licensee activities that need to be controlled on the Premises and adjacent State land. As soon as possible but no later than two weeks unless otherwise agreed upon, Licensee shall remediate the fire hazard created by Licensee, or provide an acceptable plan for such fire hazard remediation.

Roads. Roads may not be used when excessive damage due to weather or other conditions will result. During operations under this License, the Licensee shall take such precautions as necessary to minimize insofar as possible soil erosion, soil stream delivery, and damage to the soil as required under Washington State Forest Practices. Licensee shall not obstruct roads or take action that restricts the flow of traffic or use on roads without State's written permission.

Parking. Licensee shall display a copy of this License on the vehicle dashboard when parking on State lands. Licensee shall park so as to not obstruct roads, turnouts on active haul routes, or the operation of gates.

Repairs. Licensee shall repair damage to the roads, trails or facilities arising out of its use to a condition equal to or better than their condition immediately prior to such use with the exception of damage caused through normal and prudent usage.

Road Maintenance. During periods when a road, or portion thereof, is being used by the Licensee, that portion of the road so used shall be maintained by said party at its own expense and, at the termination of each period of such use, shall be left in a condition equal to or better than the condition of the road immediately prior to said use.

Survey Markers. Licensee shall not destroy any land survey corner monuments or reference points (including but not limited to corner markers, witness objects, or line markers) without prior written approval from State, which shall not be unreasonably withheld. Monuments or reference points that must necessarily be disturbed or destroyed during road construction or maintenance activities must be adequately referenced and replaced, at Licensee's cost, under the direction of a Professional Land Surveyor licensed in Washington, in accordance with all applicable state law in effect at the time of construction, including but not limited to RCW 58.24, and all state regulations pertaining to preservation of such monuments and reference points.

Protection of Natural Resources and Improvements. Licensee shall take all reasonable precautions to prevent or minimize damage to natural resources (e.g., vegetation, wildlife, soil, water) and improvements (crops, buildings, roads, etc.) within the Premises. Licensee shall cut no State timber, remove no State-owned valuable materials (as defined in RCW 79.02.010), in addition to coal, minerals, oil or gas, not disturb or remove any cultural, historical or paleontological (fossil) resources, without the prior written consent of the State. All ground disturbance shall be kept within the Premises unless otherwise approved by State in advance. Survey and transportation equipment shall be set back from the stream, lake, pond and wetland bank so surveying activities will not damage or encroach on riparian or wetland areas.

Waste. Licensee shall not cause or permit any filling activity to occur in or on the Premises, except as approved by State. Licensee shall not deposit refuse, garbage, or other waste matter or use, store, generate, process, transport, handle, release, or dispose of any hazardous substance, or other pollutants in or on the Premises except in accordance with all applicable laws.

The term hazardous substance means any substance or material as those terms are now or are hereafter defined or regulated under any federal, state, or local law including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA 42 USC 9601 *et seq.*) as administered by the U.S. Environmental Protection Agency, or the Washington Model Toxic Control Act (MTCA RCW 70.105D) as administered by the State Department. of Ecology.

Licensee shall immediately assume responsibility for a hazardous substance release (spill) caused by Licensee or its Permittees on or adjoining the Premises.

As responsible party, Licensee shall:

- Immediately notify all necessary emergency response agencies, as required under federal, state and local laws, regulations, or policies.
- After emergency response agency notifications are completed, notify State (Department of Natural Resources) of all spill releases, Licensee actions completed for spill reporting, and actions planned or completed toward spill cleanup. State notification requirements are "same business day" notification for normal state work days and "next available business day" notification for weekends and holidays.
- At Licensee's sole expense, conduct all actions necessary to mitigate the spill release. Mitigation response actions may include, but are not necessarily limited to, initial release containment, follow-up site cleanup and monitoring actions, and continued contact and coordination with regulators and State, as defined under the aforementioned laws, regulations, policies and this License.
- Other than performing initial emergency response cleanup/containment actions, obtain approvals in advance of all site cleanup actions (e.g. site characterization investigations, feasibility studies, site cleanup and confirmation sampling, and groundwater monitoring) conducted on State lands, in coordination with regulatory agencies and State.
- Obtain and understand all necessary hazardous substance spill release notification and response mitigation requirements, in advance of conducting Licensee operations on State Land.

Habitat Conservation Plan. The Premises are located within an area that is subject to State's Habitat Conservation Plan adopted in connection with Incidental Take Permit No. PRT-812521 (ITP) as supplemented by Permit No. 1168 (Collectively "ITP"). As long as the Habitat Conservation Plan remains in effect, Licensee and all persons acting under this License shall comply with the terms and conditions set forth below while operating on the Premises.

State shall have the right to modify these terms and conditions from time to time to comply with the Habitat Conservation Plan, the ITP, the Endangered Species Act, the implementing regulations, and amendments thereto, or the requirements of the federal agencies administering these laws.

- 1) Licensee shall notify State of the following:
 - a) That Licensee has discovered locations of any species listed by the U.S. Fish and Wildlife Service as threatened or endangered species (listed species) under the Endangered Species Act as such list may be updated from time to time; and
 - b) That Licensee has located any live, dead, injured, or sick specimens of any listed species.
- 2) Notification required in subsection 1) must in all circumstances occur as soon as practicable but in any event within 24 hours of discovery.
- 3) Licensee may be required to take certain actions to help State safeguard the well-being of any live, injured or sick specimen of any listed species until the proper disposition of such specimen can be determined by State.
- 4) Any application for a Forest Practices Permit submitted by Licensee for activities on the Premises must identify that the Premises is covered by the HCP.

Clean Water Act. Licensee is subject to the federal Clean Water Act (CWA) enforced by the Washington State Department of Ecology (DOE) through its delegated authority. Licensee shall perform its activities on State lands in a manner to prevent entry, or spillage of solid matter, contaminants, debris, and other pollutants and wastes into flowing water, dry watercourses, lakes, ponds, and underground water sources. Activities near streams or other bodies of water shall not cause the water turbidity to exceed State DOE water quality standards for the stream. Licensee shall not block or divert water courses unless by permit. When State is aware of actual or potential noncompliance with applicable CWA requirements by Licensee that affect water quality, State will notify Licensee and DOE. Licensee shall work with DOE and notify State of any remedial actions or mitigation measures required by DOE or Licensee to cure the problem.

Noxious Weed Control. Licensee shall control, at its own cost, all noxious weeds on any portion of the Premises where Licensee's activities may have caused or aggravated an infestation of noxious weeds, unless otherwise agreed upon. Licensee shall be responsible for its proportional cost for noxious weed control where Licensee's activities may have caused or aggravated an infestation of noxious weeds on adjacent land. Payment for noxious weed control may include in-kind services or materials. Licensee is responsible for notifying State of noxious weed problems and mitigating noxious weed problems attributable to Licensee's activities.

Insurance. Before using any of said rights granted herein and at its own expense, the Licensee shall obtain and keep in force during the term of this License and require its contractors and subcontractors, to obtain while operating on the Premises, the following liability insurance policies, insuring Licensee against liability arising out of its operations, including use of vehicles. Additionally, insurance must cover permittees for claims arising out of or resulting from the event or activity. Failure to buy and maintain the required insurance shall result in the termination of the License. The limits of insurance, which may be increased by State, as deemed necessary, shall not be less than as follows:

- (a) Commercial General Liability (CGL) insurance with a limit of not less than \$1,000,000. If such CGL insurance contains aggregate limits, the general aggregate limits shall be at least twice the "each occurrence" limit, and the products-completed operations aggregate limit shall be at least twice the "each occurrence" limit.
- (b) <u>Business Auto Policy (BAP) insurance</u>, and if necessary, commercial umbrella liability insurance with a limit of not less than \$1,000,000 with such insurance covering liability arising out of "Any Auto". Business auto coverage shall be written on ISO form CA 00 01, or substitute liability form providing equivalent coverage. If necessary the policy shall be endorsed to provide contractual liability coverage and cover a "covered pollution cost or expense" as provided in the 1990 or later versions of CA 00 01. Licensee waives all rights against State for the recovery of damages to the extent they are covered by business auto liability or commercial umbrella liability insurance.
- (c) Employer's liability ("Stop Gap") insurance, and if necessary, commercial umbrella liability insurance with limits not less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.
- (d) Licensee shall comply with all State of Washington workers compensation statutes and regulations. Workers compensation coverage shall be provided for all volunteers, employees of Licensee and employees of any contractors or subcontractors. Except as prohibited by law, Licensee waives all rights of subrogation against State for recovery of damages to the extent they are covered by workers compensation, employer's liability, commercial general liability or commercial umbrella liability insurance.

All insurance must be purchased on an occurrence basis and must be issued by companies admitted to do business within the State of Washington and have a rating of A- or better in the most recently published edition of Best's Reports. Any exception shall be reviewed and approved, at the State's sole discretion, in advance by the Risk Manager for the Department of Natural Resources. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW and Chapter 284-15 WAC.

The State of Washington, Department of Natural Resources, its elected and appointed officials, agents and employees shall be named as additional insureds on all general liability, excess, and umbrella insurance policies.

Before using any said rights granted herein, Licensee shall furnish State with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements specified above. Certificate(s) must reference the State's Land Use License number.

State shall be provided written notice before cancellation or non-renewal of any insurance referred to herein, as prescribed in statute (Chapter 48.18 RCW or Chapter 48.15 RCW).

Licensee shall include all contractors, sub-contractors and other Permittees as insureds under all required insurance policies, or shall furnish separate certificates of insurance and endorsements for each. Contractors and sub-contractors must comply with all insurance requirements stated herein. Failure of contractors, sub-contractors to comply with insurance requirements does not limit Licensee's liability or responsibility.

All insurance provided in compliance with this License shall be primary as to any other insurance or self-insurance programs afforded to or maintained by State. Licensee waives all rights against State for recovery of damages to the extent these damages are covered by general liability or umbrella insurance maintained pursuant to this License.

By requiring insurance herein, State does not represent that coverage and limits will be adequate to protect Licensee and such coverage and limits shall not limit Licensee's liability under the indemnities and reimbursements granted to State in this License.

If Licensee is self-insured, evidence of its status as a self-insured entity shall be provided to State. If requested by State, Licensee must describe its financial condition and the self-insured funding mechanism.

Indemnification. Licensee shall indemnify, defend (with counsel acceptable to State) and hold harmless State, its employees, officers and agents from any and all liability, damages (including, but not limited to, personal injury and damages to land and other natural resources), expenses, causes of action, suits, claims, costs, fees (including, but not limited to, attorneys' fees), penalties, or judgments, of any nature whatsoever, arising out of the use or occupation of the Premises by Licensee, its Permittees, contractors, concessionaires, agents, employees, guests, invitees, customers or affiliates, except as may arise solely out of the willful act of State or State's elected officials, employees, or agents. To the extent that RCW 4.24.115 applies, Licensee shall not be required to indemnify, defend, and hold State harmless from State's sole or concurrent negligence.

Notice. Unless otherwise specified herein, any notices required or permitted under this License may be delivered personally, sent by facsimile machine, emailed with acknowledgment of receipt, or mailed certified, return receipt requested, to the following addresses or to such other place as the parties hereafter direct. Notice will be deemed given upon delivery or upon confirmation of facsimile, whichever is applicable.

To State:
Northwest Region
Department of Natural Resources
919 North Township Street
Sedro-Woolley, WA 98284
360-856-3500
360-856-2150
Jamie.hitt@dnr.wa.gov

To Licensee:
City of Everett
Ed Fisher
3200 Cedar Street
Everett, WA 98201
425-257-8932
EFisher@everettwa.gov

Temporary Markers. Unless otherwise agreed upon, State shall not be responsible for preserving any temporary markers such as stakes, flags, paint, tags or signs used by Licensee for purposes consistent with this License ("Temporary Markers"). State shall take reasonable precautions to avoid damage to Temporary Markers placed by Licensee, but State is not liable for third party damage to same. Prior to placing Temporary Markers on Premises, Licensee shall inform State in writing of location and provide a general description of such Temporary Markers. Licensee shall remove all Temporary Markers from Premises upon completion of operation or termination of License, whichever occurs first.

Billing and Payment. When Licensee is required to pay State under this License, State shall use its standard billing practices and invoice Licensee with reference to the State License number and Licensee Lead Tract Number. The invoice shall include an explanation for the billing, how the costs were calculated and any supporting documentation. Licensee shall pay State any undisputed amount within thirty (30) days receipt of a proper invoice or pay interest at a rate of one percent per month until such time as the amount due is paid in full.

Integrated Agreement; Modification. This License, including appendices and attachments, constitutes the entire agreement and understanding of the parties with respect to the subject matter of the License and supersedes all prior negotiations and representations. This License may not be modified except in writing signed by the parties. The parties agree to execute any additional documents reasonably necessary to effectuate the provisions and purposes of this License.

Severability. If any provision of this License is held to be invalid or unenforceable, this provision shall not affect or invalidate the remainder of this License, and to this end, the provisions of this License are declared to be severable. If any such invalidity becomes known or apparent to the parties, the parties agree to negotiate promptly in good faith in an attempt to amend such provision as nearly as possible to be consistent with the intent of this License.

Non-waiver. The waiver by State of any breach or the failure of State to require strict compliance with any term herein shall not be deemed a waiver of any subsequent breach.

Assignment. This License, and any of the rights granted herein, shall not be assigned.

Construction. The terms of this License shall be given their ordinary meaning unless defined herein and shall not be presumed construed against the drafter.

Exhibits. All exhibits referred to in this License are deemed to be incorporated in this License in their entirety.

Headings. The headings in this License are for convenience only and are not intended to, and shall not be construed to, limit, enlarge, or affect the scope or intent of this License nor the meaning of any of its provisions.

Survival. All obligations of Licensee to be performed prior to the expiration or earlier termination shall not cease upon the termination or expiration of this License, and shall continue as obligations until fully performed. All clauses of this License which require performance beyond the termination or expiration date shall survive the termination or expiration date of this License.

Counterparts. This License may be executed in one or more counterparts, each of which shall be deemed an original, and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this License at different times and places by the parties shall not affect its validity so long as both parties execute a counterpart of this License.

WITNESS WHEREOF, the parties hereto have caused this License to be executed as below subscribed.

CITY OF EVERETT

Ray Stephanson/Mayor

Attest:

Anna Pankevich

7-17-2017

As to form:

City Attorney

Address: 3200 Cedar Street

Everett, WA 98201

Phone: 425-257-8800

SUBJUNE OF WASHINGTON

STATE OF WASHINGTON DEPARTMENT OF NATURAL RESOURCES

Dated: 7.

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Jean Fike, Northwest Region Manager

Address: 919 North Township Street

Sedro-Woolley, WA 98284

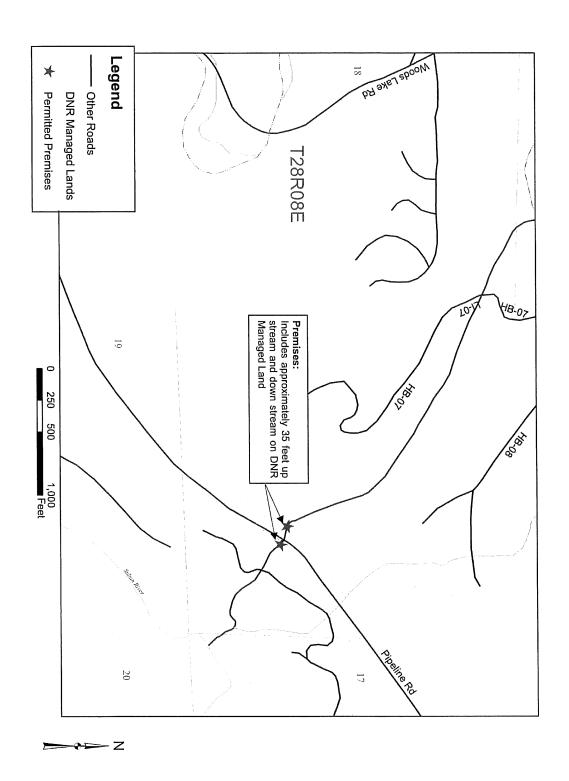
Phone: 360-856-3500

Approved as to form May 25, 2016 by Mike Rollinger Assistant Attorney General for the State of Washington

Exhibit A Legal Description of Premises

Portion of the SE1/4 of Section 18, Township 28 North, Range 8 East, W.M., located in Snohomish County, WA.

Exhibit B Access/Map



Py. 14 of 14 AH



LETTER OF SELF-INSURANCE

To: Washington State Department of Natural Resources

Re: Land Use License No. 60-NW1710

This is to inform you of the City of Everett's insurance program. The City of Everett maintains a comprehensive program of risk retention and insurance.

Based on discussion and direction from City Administration, the City has elected to self-insure its liability exposures. The City's self-insured retention for general, auto and professional liability is \$1,250,000, which is fully funded. Excess liability is purchased with limits of \$30,000,000 over the self-insured retention.

Please contact me at (425) 257-8702 if you have any questions relating to the City of Everett's insurance program.

Christine Muth-Schulz

Risk Manager

Budget Advisory

PROJECT TITLE:

Land Use License with
Washington State Department
of Natural Resources for the
Lake Chaplain Road Culvert
Replacement Project

Differing
Proposed Action
Consent
Action
First Reading
Second Reading
Third Reading
Public Hearing

Briefing

COUNCIL BILL# Originating Department

Contact Person Phone Number FOR AGENDA OF Public Works Ed Fisher, P.E. 425-257-8932 July 12, 2017

Initialed by:

Department Head

CAA

Council President



Location Lake Chaplain Rd – Northeast of Monroe **Preceding Action**

Attachments

Land Use License No. 60-NW1710; Letter of Self-Insurance

Department(s) Approval

Legal, Public Works

Amount Budgeted	\$500,000	
Expenditure Required	\$756	Account Number(s):UP-3616
Budget Remaining	\$320,000	
Additional Required	-0-	

DETAILED SUMMARY STATEMENT:

The project will replace an inadequate culvert that is causing frequent flooding of Lake Chaplain Road.

Removal and replacement of the culvert is located within the City of Everett right-of-way for Lake Chaplain Road and adjacent City water transmission line. The project also is located on adjacent Washington State Department of Natural Resources' property.

Land Use License is between the City of Everett and Washington State Department of Natural Resources (DNR) regarding performance of all project activities on adjacent DNR property. There is a \$756.00 fee associated with this Land Use License.

RECOMMENDATION (Exact action requested of Council):

Authorize the Mayor to sign the Land Use License with Washington State Department of Natural Resources for the Lake Chaplain Road Culvert Replacement Project at the cost of \$756.00.